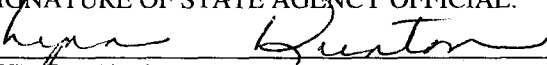


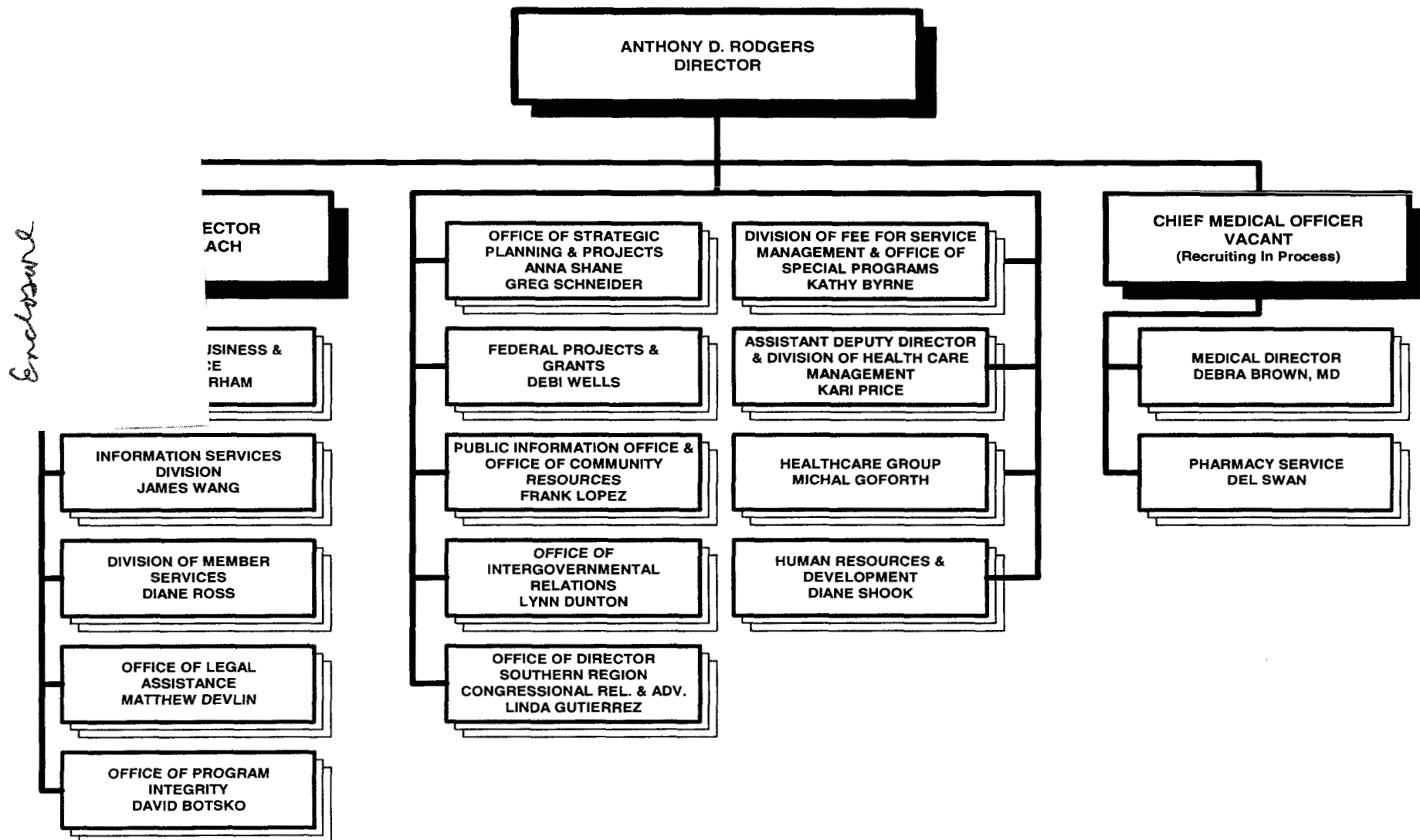


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 04-001	2. STATE Arizona
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2004	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 431.11		7. FEDERAL BUDGET IMPACT: a. FFY 2003-2004 \$0 b. FFY 2004-2005 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 1.2-A, Page 1 Attachment 1.2-B, Pages 1-5 Attachment 1.2-C, Pages 1-3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 1.2-A, Page 1 Attachment 1.2-B, Pages 1-5 Attachment 1.2-C, Pages 1-3	
10. SUBJECT OF AMENDMENT: Organizational Structure of AHCCCS			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:	
13. TYPED NAME: Lynn Dunton			
14. TITLE: Assistant Director			
15. DATE SUBMITTED: January 30, 2004			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: January 30, 2004		18. DATE APPROVED:  April 13, 2004	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2004		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Linda Minamoto		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			



Description of the Functions of the Medical Assistance Unit

Within AHCCCS, the responsibilities and functions for medical assistance report to the Deputy Director/Chief Medical Officer and are performed by the:

- Division of Health Care Management: Responsible for the programs and services related to all populations served through managed care contracts. These programs include Acute, Long Term Care, Behavioral Health and Children's Rehabilitative Services (CRS).
- Division of Fee-for-Service Management: Responsible for the administrations of programs and services related to the Fee-for-Service population.
- Medical Director: Responsible for medical direction and medical oversight of all programs.
- Pharmacy Program Administrator: Responsible for management of the pharmacy benefit for the Fee-for-Service population and other pharmacy related policies and programs of the agency.
- Office of Special Programs: Responsible for a variety of programs including research on new technology and oversight of the AHCCCS Medical Policy Manual.

The key functions are:

- Identifying, developing, monitoring and evaluating quality of care and services;
- Formulating and implementing medical policy;
- Exercising medical interpretation; and
- Assessing new technology.

An organization chart of Medical Assistance functions is included as part of this attachment.

Description of the Functions of the Medical Assistance Unit

1. Division of Fee-for-Service Management

- (a) Medical management, including prior authorization, concurrent and retrospective reviews, for the Indian Health Service members and the Federal Emergency Services Program.
- (b) Grievances and appeals specific to Fee-for-Service denials
- (c) Quality of care issue identification and referral for evaluation and investigation to the Clinical Quality Management Unit within the Division of Health Care Management.
- (d) Authorizations for special services such as environmental modifications and out-of-state placement requests.
- (e) Medical review of Fee-for-Service claims.
- (f) Review and revise, as needed the qualifications and standards for the registration of AHCCCS provider types.
- (g) Review and make recommendations to Executive Management regarding the addition or deletion of provider types.

2. Division of Health Care Management

- (a) **ALTCS Unit**
 - i. Development, maintenance and oversight of comprehensive Case Management Program for ALTCS Program.
 - ii. Oversight of Traumatic Brain Injury/Behavioral Health Reinsurance Program.
 - iii. Technical assistance to ALTCS Contractors and Tribal case managers.
 - iv. Oversight of federal and state compliance for ALTCS Program, PASARR, and Nurse Aide Training and Competency Evaluation Program.
 - v. Coordination with the Arizona Department of Health Services on the status of licensure and certification of nursing facilities and Intermediate Care Facilities for the Mentally Retarded and distribution of information to AHCCCS Contractors.
 - vi. Coordination and oversight of Department of Economic Security/Division of Developmental Disabilities ALTCS program.

Description of the Functions of the Medical Assistance Unit

(b) Clinical Quality Management Unit

- i. Program and operational reviews to assess each Contractor's management of medical issues, including quality management, utilization management, as well as medical policy and contractual compliance.
- ii. Oversight of federal and state compliance related to quality management, EPSDT and maternal health and review of annual quality management plans. Continuous training, technical assistance and interface with Contractors regarding refining and developing these annual plans.
- iii. Program monitoring, including for Maternal Child Health, Family Planning, EPSDT, dental utilization, immunization, ALTCS, and adult health care.
- iv. Problem resolution, including individual quality of care issues for members, access to care, level of coverage, quality of coverage provided.
- v. Quality management development and analysis (e.g., utilization reports and performance indicators).
- vi. Monitoring implementation of corrective action plans and quality interventions related to quality management oversight.
- vii. Coordinate and conduct focused medical audits

(c) Data Analysis and Research Unit

- i. Data handling, analysis and reporting for utilization monitoring, performance measures, quality indicators, clinical studies, and medical audits.
- ii. Coordination of data handling and analysis for medical audits, clinical studies, performance measures, and related projects.

3. Office of Special Programs

- (a) Medical policy development, distribution, interpretation and evaluation.
- (b) Chair and coordination of the AHCCCS Clinical Technology/Steering Committee.
- (c) Coordination and oversight of school-based claiming of Medicaid reimbursable services.

Description of the Functions of the Medical Assistance Unit

4. Medical Director

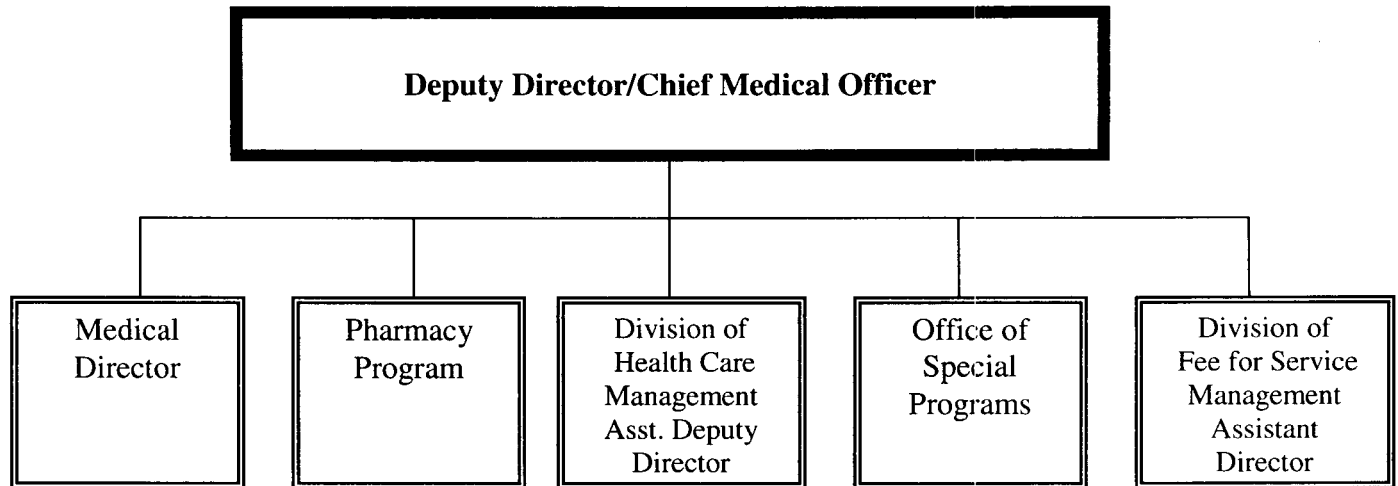
- (a) Medical oversight of acute, ALTCS, Behavioral Health and Fee-for-Service Programs
- (b) Medical review for Fee-for-Service out-of-state placement requests, prior authorization and claim denials
- (c) Medical policy interpretation.
- (d) Chairman of Peer Review Committee, which reports and discusses results of investigations on quality of care issues, with emphasis on Fee-for-Service members.
- (e) Technical assistance and interface with providers for both Fee-for-Service and Medicaid Programs.
- (f) Medical resource for the grievance and appeals process.

5. Pharmacy Program Administration

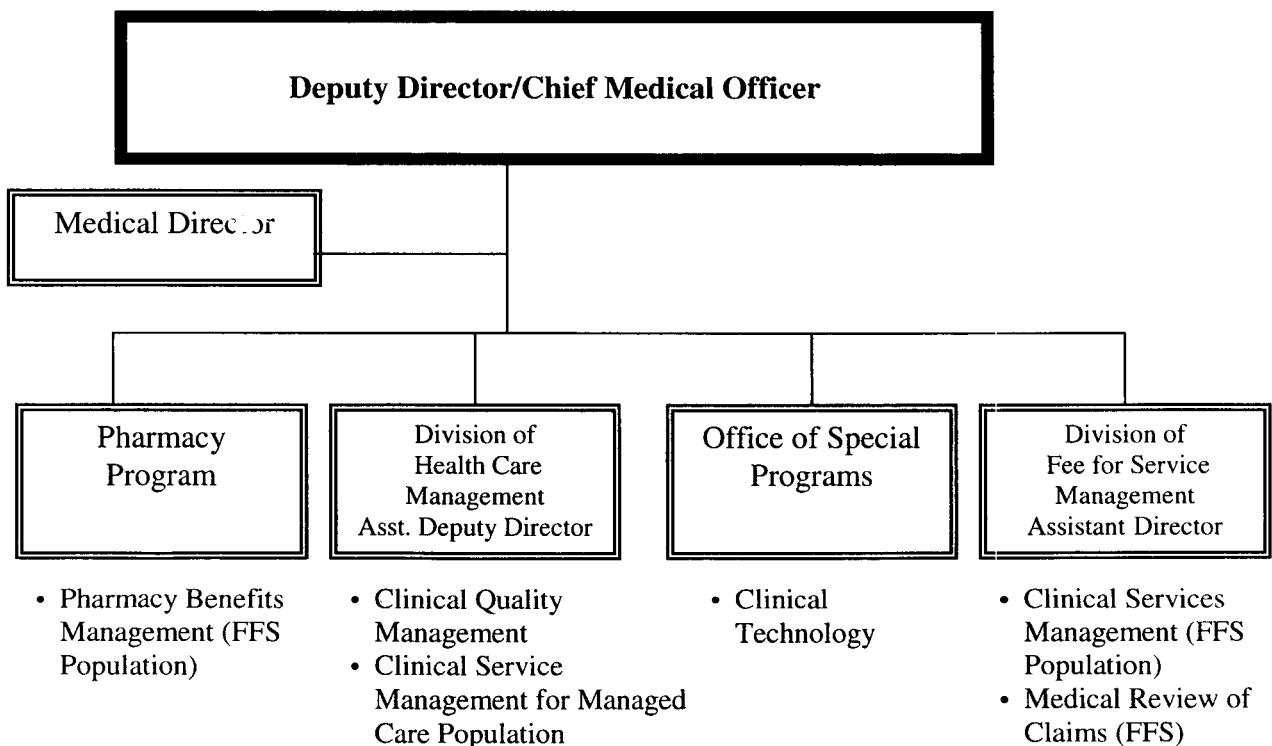
- (a) Oversight and coordination of the Fee For Service contract with a pharmacy administrator, including formulary review, provider network and any quality of care issues related to pharmacy.
- (b) Utilization data analysis and recommendations for appropriateness as well as potential cost savings.
- (c) Resource of pharmacy expertise for policy development.

Description of the Functions of the Medical Assistance Unit

Administrative Units



Functional Units



TN No.: 04-001
Supercedes
TN No.: 00-013

Approval Date: APR 13 2004

Effective Date: 01/01/04

Professional Medical Personnel and Support Staff

Medical Director/Office of the Director

<u>POSITION</u>	<u>QUANTITY</u>
Chief Medical Officer	1
Medical Director	1
Total	2

Pharmacy Program Administration

<u>POSITION</u>	<u>QUANTITY</u>
Pharmacy Program Administrator	1
Total	1

Division of Fee for Service Management

<u>POSITION</u>	<u>QUANTITY</u>
Health Program Manager III (LPN)	1
Health Program Manager II (RN)	1
Medical Service Program Review Specialist (RN)	8
Total	10

Office of Special Programs

<u>POSITION</u>	<u>QUANTITY</u>
Health Program Manager I	3
Health Program Manager III	2
Medical Service Program Review Specialist (RN)	1
Administrative Assistant III	1
Total	7

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Supersedes

TN No.: 00-013

Professional Medical Personnel and Support Staff

Division of Health Care Management

<u>POSITION</u>	<u>QUANTITY</u>
Assistant. Deputy Director	1
Senior Administrator	1
Executive. Staff Assistant	3
Administrative Assistant II	2
Administrative Assistant III	1
Administrative Secretary III	4
Administrative Assistant I	1
Financial Consultant	5
Program Compliance Auditor III	6
Executive Consultant	2
Administrative Services Officer III	9
Economist III	3
Research & Statistical Analyst	1
Medical Services Program Review Specialist	9
Health Program Manager III	5
Health Program Manager I	5
Program and Project Specialist II	6
Management Analyst IV	1
Management Analyst III	1
Management Analyst II	3
Management Analyst I	3
Health Planning Consultant	1
Claims Specialist II	1
Finance Manager	1
Research Manager	2
Reimbursement & Special Project Administrator	1
Clinical Quality Management Administrator	1
Health Plan Manager	1
Mental Health Manager	1
ALTCS Manager	1
Total	82

TN No.: 04-001Approval Date: APR 13 2004Effective Date: 01/01/04

Supersedes

TN No.: 00-013

Professional Medical Personnel and Support Staff

Contracted Physician Consultants

<u>POSITION</u>	<u>QUANTITY</u>
Gerontologist	3
Pediatrician (MD)	3
Total	6

TN No.: 04-001

Supercedes

TN No.: 00-013Approval Date: APR 13 2004 Effective Date: 01/01/04